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1. Developments in scheme policy – Public Service Pension Reform

Decisions on the third increment of employee contribution increases, which the UK Government has previously announced it expects to apply from April 2014, are expected in the coming months.

We reported in the March issue that negotiations on scheme design for a reformed Teacher’s scheme in Scotland were being undertaken through the partnership Scottish Teachers’ Pension Scheme Negotiating Group. Negotiations have continued beyond the original estimated conclusion date of March 2013. Once negotiations have formally concluded full details of the reformed scheme including answers to Frequently Asked Questions will be available on our [website](#).



Next steps: Once the terms of the new scheme have been finalised, work will begin on considering new scheme governance arrangements which will apply from April 2015. These changes are being introduced as a result of the Public Service Pensions Act 2013. SPPA and the Scottish Government will also continue to work with partners around a programme of future communications on the reformed scheme and implementation plans. Further details will also appear on our [website](#) and in subsequent employer newsletters.

2. My Pension - Online Member and Pensioner Services

The number of registered members continues to increase by approx 1000 per month. 14% of STSS members who have qualified for pension benefits have registered. We have also recently added online forms for active members and members should expect to receive a reply within 15 days to the following:

- nomination for death grant
- additional pension preliminary application (request for quotation)
- additional pension application form

We are processing data from employers for the year end 31 March 2013 and will notify employers when 2013 annual statements are available.

Following the success of a recent pilot exercise, we have launched Pensioner Online Services for retired members of the Scottish Teachers' and National Health Service Superannuation schemes. Pensioners can notify a change of address or bank details, contact us with any pension enquiry and can also access the following:

- monthly pension payment advice notices (payslips)
- end of year certificate (P60)
- annual pension increase notification
- annual pensioner newsletter



We would like to take this opportunity to thank you for your help in cascading awareness of our online services for members and pensioners. If you have any enquiries about web services, you can contact the team by email at sppamypension@scotland.gsi.gov.uk or by calling 01896 893000 (ask for web services).

3. Auto Enrolment

Data on membership participation levels, including around the impact of automatic enrolment, remains important policy information and will continue to play a key part in future partnership consideration of the Scottish Teachers' Pension Scheme

A number of employers have already Auto Enrolled their staff which has resulted in a backlog of Opt Out forms being received. We are currently looking into finding a solution to ease this for both employers and SPPA. We will issue a circular when details have been clarified. Further information on Auto Enrolment is available on the [Auto Enrolment section](#) of our website.

4. Finance

SPPAs Senior Management Team has seen another change with the departure of Chris Fenton as Finance Director in April 2013 and his replacement by Ian Waugh FCCA in that role. Ian has a background with another Agency in Scottish Government (Fisheries Research Services) and more recently working with NHS colleagues as Head of Capital Planning.



The Finance team consists of Jane Murray CA who joined the organisation in June 2012 as Deputy Director supported very ably by a dedicated team of 12 staff who manage SPPAs and the NHS and Teachers' Superannuation Schemes' day to day finance business.

Good working relationships are in place and new ones are constantly being fostered between SPPA and employer partners to provide an excellent service and the Finance Directorate has a key part to play in delivering that service.

Key functions carried out by finance include:

- contribution collection - ensuring that members' contributions have been received on time and are allocated to the employers' accounts correctly. Processing these items timeously is essential to accurately account for income and for forecasting scheme income and expenditure.

Finance will have its part to play in pension reform as changes are made and the Directorate will continue to explore new processes including IT and web functionality to help improve the services we provide.

In that vein we are looking forward to going 'live' in November with the employers' contributions web interface. Once bedded-in, the system promises to make the job of collecting contributions much easier to manage and will deliver a more robust set of processes to this critically important function.

5. Summer 2013 retirals

This summer has seen an intake of over 2000 retiral applications. We are pleased to report that we have cleared all accurate applications that were received within our preferred three month timescale and have also been able to clear the majority of late applications.

During this busy time, we have contacted employers more frequently to request additional information or clarification for some applications. Your assistance during this time is appreciated and has ensured that teachers received the correct pension and also reduced the number of revisions that may be required later.

6. STSS Technical Working Group

The STSS Technical Working Group is now established, with the first meeting taking place on 26 April and the most recent meeting, here in Tweedbank on 3 September 2013. This is already proving a worthwhile partnership.

The group includes representatives from Local Authorities, Colleges Scotland, Scottish Council of Independent Schools, the higher education sector and SPPA. Circular 06/2013 named the representatives and their organisation with one change since being made from Colleges Scotland.

If employers wish to raise a subject to be discussed at the meeting, they can do so through one of the named representatives or directly to SPPA. The date of the next meeting has not yet been arranged, but will be notified to representatives as soon as possible.

7. Lifetime Allowance (LTA), Protection and Annual Allowance (AA)

We have previously advised employers about members who we have identified as possibly being effected by the reduced LTA.

We will carry out this exercise again in November 2013 to identify members and notify employers and members accordingly.

As HMRC have announced that from 6 April 2014, the LTA will be reduced to £1.25 million, we will write out to those who are within 85% of £1.25m. A new form of protection called 'fixed protection 2014' has been introduced for those who have built up a pension of more than £1.25m but no more than £1.5 million. Members can now apply for fixed protection 2014 on the [HMRCs website](#) and must do by 5 April 2014.

Further information is available on the HMRC's [Lifetime Allowance Checking Tool](#)

In addition, members must tell HMRC if they are subject to the AA charge. We will shortly be writing to those members that will be affected this year. From April 2014 the annual allowance reduces to £40,000.



8. Annual returns Exercise

The 12/13 annual returns exercise has run extremely successfully this year, with all STSS employer returns required on time, loaded to our system.

We would like to express our thanks for the efforts made by all employers to submit their returns to us to meet HMRCs July deadline. We are aware that this has been a huge task for employers and your efforts are appreciated.

9. Recently issued circulars

Circular 2013/08: Issued on 22 March 2013

The purpose of this circular is to notify Pension Managers and Superannuation Sections of the increase to Public Service Pensions with effect from 8th April 2013.

Circular 2013/07: issued on 20 March 2013

The purpose of this circular is to request annual return data for 2012-13, remind employers of HMRCs charges for submission of late or incorrect data and provide details on the Disclosure of Salary and Pension information.

Circular 2013/06: issued on 19 March 2013

The purpose of this circular is to advise of the representatives selected to participate in the STSS Technical Working Group.

10. How to contact us

By telephone	01896 893 000
Monday-Thursday	9.00am to 5.00pm
Friday	9.00am to 4.30pm
Fax	01896 893 214
Website	www.sppa.gov.uk
Email	Retirements Teachersawards@scotland.gsi.gov.uk
	Data enquiries rmtsppa@scotland.gsi.gov.uk
	Service/transfers Teachersservice@scotland.gsi.gov.uk
Post	SPPA, 7 Tweedside Park, Tweedbank Galashiels, TD1 3TE